GOLDEN STAR

Expanding Production and Reducing Costs

DENVER GOLD FORUM

SEPTEMBER 2016

Disclaimer

SAFE HARBOR: Some statements contained in this presentation are forward-looking statements or forward-looking information (collectively, “forward-looking statements”) within the meaning of the United States Private Securities Litigation Reform Act of 1995 and applicable Canadian securities laws. Investors are cautioned that forward-looking statements are inherently uncertain and involve risks and uncertainties that could cause actual results to differ materially. Such statements include comments regarding: the expansion of production and reduction of costs at Golden Star’s projects, including the estimated amounts thereof; the exploration upside of the Company’s projects and ability of the Company to increase mine lives; the timing for commercial production at Wassa Underground and Prestea Underground; the achievement of 2016 production, cash operating cost and capital expenditure guidance; the benefits of underground mining techniques including the impact on grades, costs, power usage, seasonality and permitting; life of mine average annual production at Wassa Underground; the current rate of decline development at Wassa Underground and the time for accessing the B-Shoot; the ability to extend the life of mine at Prestea Underground through exploration; the conversion of mineral resources into mineral reserves; the potential for growth of Golden Star’s share price; the improvement of grades at Wassa due to Wassa Underground production; production and cash operating costs for 2016; future work to be completed at Prestea Underground Mine, including the timing for mechanical and electrical rehabilitation work, as well as pre-development and development work and stoping; and capital expenditures for the development of Wassa Underground and Prestea Underground mine. Factors that could cause actual results to differ materially include timing of and unexpected events at the Bogoso/Prestea and/or the Wassa processing plants; variations in ore grade, tonnes mined, crushed or milled; delay or failure to receive board or government approvals and permits; construction delays; the availability and cost of electrical power; timing and availability of external financing on acceptable terms or at all; technical, permitting, mining or processing issues, including difficulties in establishing the infrastructure for Wassa Underground, inconsistent power supplies, plant and/or equipment failures and an inability to obtain supplies and materials on reasonable terms (including pricing) or at all; changes in U.S. and Canadian securities markets; and fluctuations in gold price and input costs and general economic conditions. There can be no assurance that future developments affecting the Company will be those anticipated by management. Please refer to the discussion of these and other factors in our Annual Information Form for the year ended December 31, 2015 filed on SEDAR at www.sedar.com. The forecasts contained in this presentation constitute management's current estimates, as of the date of this presentation, with respect to the matters covered thereby. We expect that these estimates will change as new information is received and that actual results will vary from these estimates, possibly by material amounts. While we may elect to update these estimates at any time, we do not undertake to update any estimate at any particular time or in response to any particular event. Investors and others should not assume that any forecasts in this presentation represent management's estimate as of any date other than the date of this presentation.

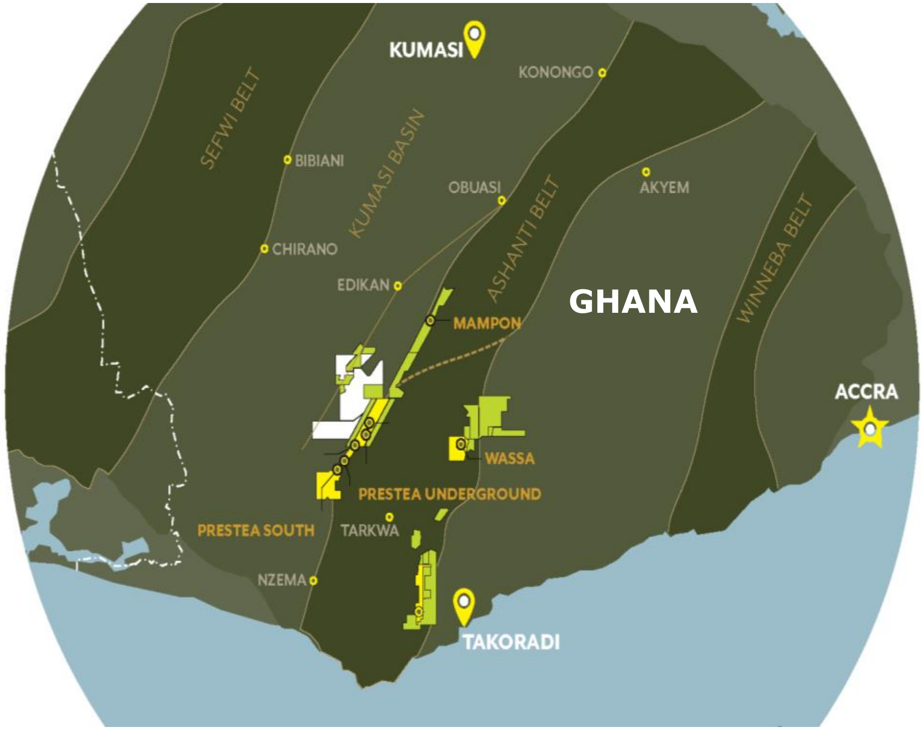
NON-GAAP FINANCIAL MEASURES: In this presentation, we use the terms “cash operating cost per ounce”, “all-in sustaining cost per ounce”, “AISC per ounce”, “Adjusted Net Loss”, “Adjusted Net Loss/Share” and “Cash Flow from/(used in) operations”. These terms should be considered as Non-GAAP Financial Measures as defined in applicable Canadian and United States securities laws and should not be considered in isolation or as a substitute for measures of performance prepared in accordance with International Financial Reporting Standards (“IFRS”). “Cash operating cost per ounce” for a period is equal to the cost of sales excluding depreciation and amortization for the period less royalties, the cash component of metals inventory net realizable value adjustments and severance charges divided by the number of ounces of gold sold during the period. “All-in sustaining costs per ounce” commences with cash operating costs and then adds sustaining capital expenditures, corporate general and administrative costs, mine site exploratory drilling and greenfield evaluation costs and environmental rehabilitation costs, divided by the number of ounces of gold sold during the period. This measure seeks to represent the total costs of producing gold from operations. These measures are not representative of all cash expenditures as they do not include income tax payments or interest costs. In order to indicate to stakeholders the Company's earnings excluding the non-cash (gain)/loss on the fair value of debentures, non-cash impairment charges and severance charges, the Company calculates “Adjusted Net Loss” and “Adjusted Net Loss/Share” to supplement the condensed interim consolidated financial statements. “Cash flow from/(used in) operations” is calculated by subtracting the "Changes in working capital" from "Net cash provided by operating activities" as found in the statements of cash flows. These measures are not necessarily indicative of operating profit or cash flow from operations as would be determined under IFRS. Changes in numerous factors including, but not limited to, mining rates, milling rates, gold grade, gold recovery, and the costs of labor, consumables and mine site general and administrative activities can cause these measures to increase or decrease. We believe that these measures are the same or similar to the measures of other gold mining companies, but may not be comparable to similarly titled measures in every instance. Please see our “Management’s Discussion and Analysis for the three and six months ended June 30, 2016” and our “Management’s Discussion and Analysis of Financial Condition and Results of Operations for the year ended December 31, 2015” for a reconciliation of these Non-GAAP measures to the nearest IFRS measure.

INFORMATION: The information contained in this presentation has been obtained by Golden Star from its own records and from other sources deemed reliable, however no representation or warranty is made as to its accuracy or completeness. The technical information relating to Golden Star's material properties disclosed herein is based upon technical reports prepared and filed pursuant to National Instrument 43-101 - Standards of Disclosure for Mineral Projects ("NI 43-101") and other publicly available information regarding the Company, including the following: (i) “NI 43-101 Technical Report on a Feasibility Study of the Wassa Open Pit Mine and Underground Project in Ghana” effective December 31, 2014; (ii) “NI 43-101 Technical Report on Resources and Reserves, Golden Star Resources Ltd., Bogoso Prestea Gold Mine, Ghana” effective December 31, 2013, and (iii) “NI 43-101 Technical Report on a Feasibility Study of the Prestea Underground gold project in Ghana” effective November 5, 2015. Additional information is included in Golden Star's Annual Information Form for the year ended December 31, 2015 which is filed on SEDAR. Mineral Reserves were prepared under the supervision of Dr. Martin Raffield, Senior Vice President Technical Services for the Company. Dr. Raffield is a "Qualified Person" as defined by NI 43-101. The Qualified Person reviewing and validating the estimation of the Mineral Resources is S. Mitchel Wasel, Golden Star Resources Vice President of Exploration.

CURRENCY: All monetary amounts refer to United States dollars unless otherwise indicated.

Why Invest In Golden Star?

- West African-focused, mid-tier gold producer with two producing mines in Ghana
- Two high grade development assets - production is expected to expand and costs to continue to reduce
- Strong exploration upside potential - focused on increasing the mine lives of current operations
- Experienced management team with a track record of discovery and project delivery
- Undervalued compared to peer group and with robust liquidity through NYSE MKT listing



Transforming into a high grade, non-refractory, low cost gold producer

Experienced Management and Technical Leadership

Sam Coetzer, President & CEO

- Mining engineer with over 26 years' experience with Kinross, Xstrata Nickel, Xstrata Coal and Placer Dome
- Previously SVP South American Operations and managed integration of Red Back Mining for Kinross

André van Niekerk, EVP & Chief Financial Officer

- Joined GSR in 2006 - 5 years in Ghana as GSR's Head of Finance and Business Operations
- Previously VP, Financial Controller
- Trained at KPMG

Daniel Owiredu, EVP & Chief Operating Officer

- 20 years' experience in West African mining, based in Ghana
- Previously Deputy COO for AngloGold - managed construction and operation of the Bibiani, Siguiri and Obuasi mines

Martin Raffield, SVP, Project Development & Technical Services

- Ph.D. geotechnical engineering & P. Engineering
- Previously worked for SRK, Placer Dome and Breakwater Resources
- Based at Prestea mine in Ghana

Mitch Wasel, VP Exploration

- Joined GSR in 1993
- Based in Ghana for GSR for past17 years
- Previously spent 10 years in gold & base metal exploration in north western Canada

A Transformational Story: Key Milestones

Underground Developments Funded and Balance Sheet Strengthened

- $150m financing agreement and $20m loan secured with Royal Gold[1]
- $50m Ecobank I loan repaid
- $12m of Accounts Payable repaid to creditor – remaining $24.5m deferred to 2018
- Convertible debentures refinanced so repayment is more closely aligned with cash flow
- $25m Ecobank II loan repaid
- $34.5m equity offering completed

Transitioned into a Non-Refractory Producer

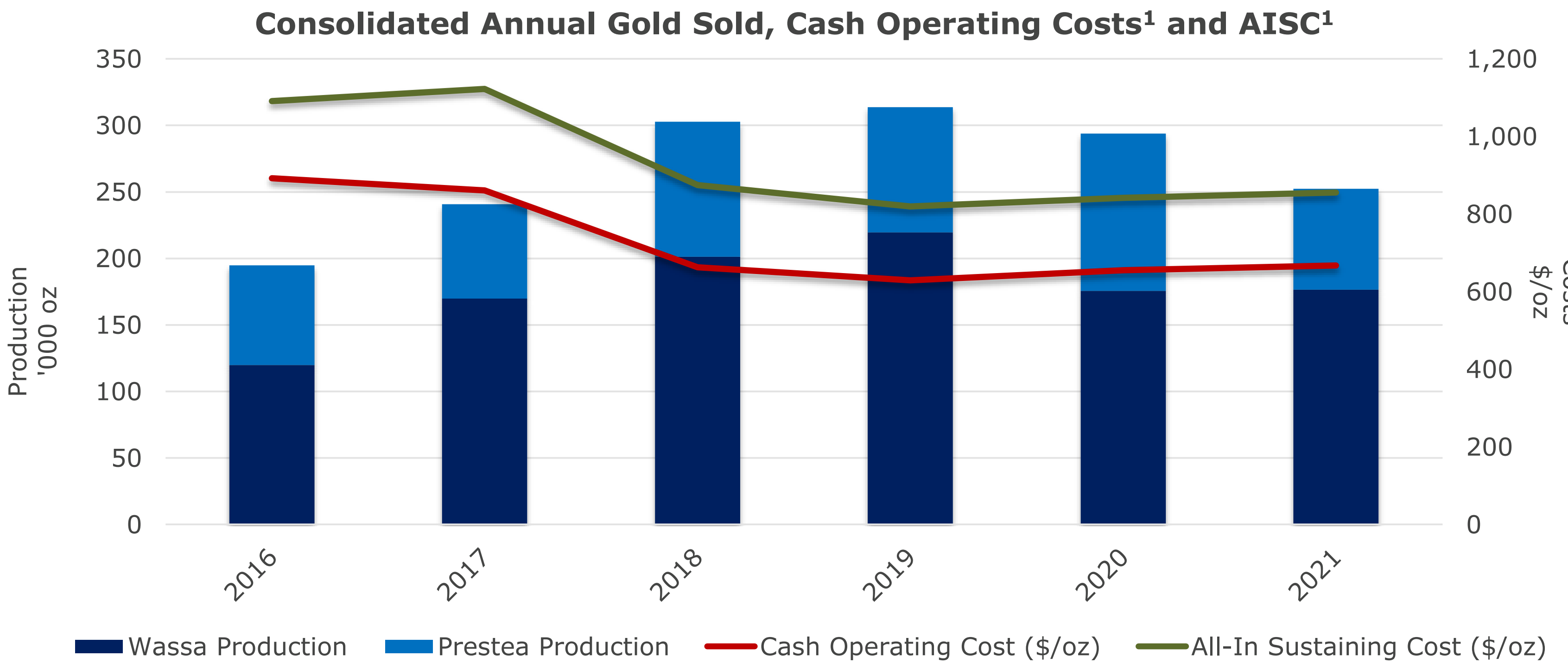
- Invested in exploration to replace 2Moz of refractory reserves with non-refractory reserves
- Cessation of refractory production at Bogoso
- First stope blasted at Wassa Underground

Upcoming Milestones: Becoming a High Grade, Low Cost Producer

- Commercial production at Wassa Underground expected to commence in early 2017
- First stope expected to be blasted at Prestea Underground in Q2 2017, with commercial production in mid-2017
- Deliver significantly larger production profile and lower operating cost profile going forwards

1. May 2015 Royal Gold financing was for a $130m stream and a $20m loan. In December 2015 an additional $20m was added to the stream, bringing the total to $150m

Expanding Production and Reducing Costs



- 2016 guidance: 180-205,000oz at cash operating costs of $815-925/oz
- Average for the next 5 years from 2017 onwards:
  - Production: 281,000oz/annum
  - Cash operating costs[1]: $695/oz
  - AISC[1]: $903/oz

60% increase in production forecast between 2016 and 2019

NYSE: GSS
TSX: GSC

1. See note on slide 2 regarding Non-GAAP Financial Measures

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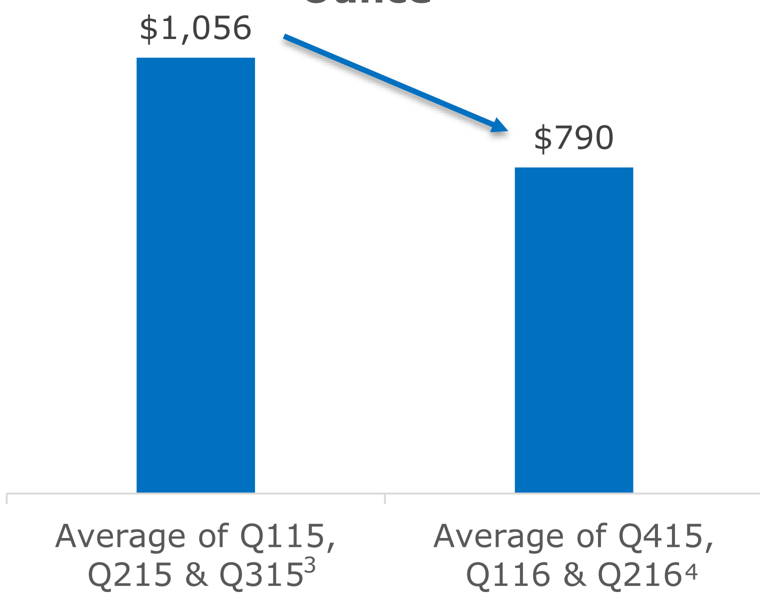
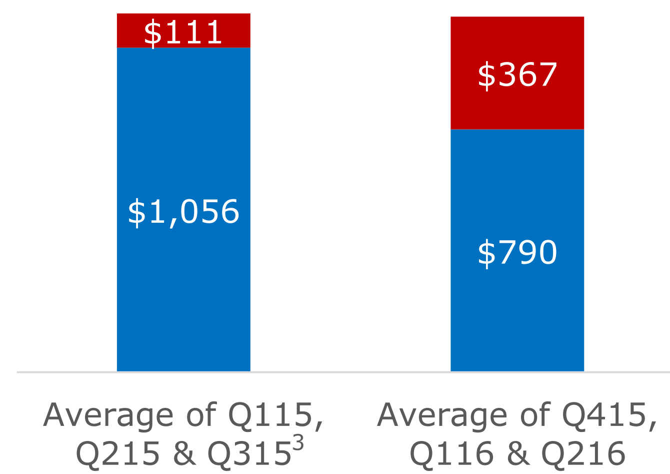
Lower Costs and Stronger Cash Margin

Ceasing refractory production has yielded lower cash operating costs[1] and a stronger cash operating margin per ounce[1]

Cash Operating Cost Per Ounce[1]



Cash Operating Margin Per Ounce[1,2]



- Cash operating cost per ounce has decreased by 25% since GSR ceased refractory production
- Average cash operating margin per ounce has increased by 231%

1. See note on slide 2 regarding Non-GAAP Financial Measures
2. Calculated as average realized gold price minus cash operating costs
3. These three quarters represent GSR's final period as a refractory producer
4. These three quarters represent GSR's first period as a wholly non-refractory producer

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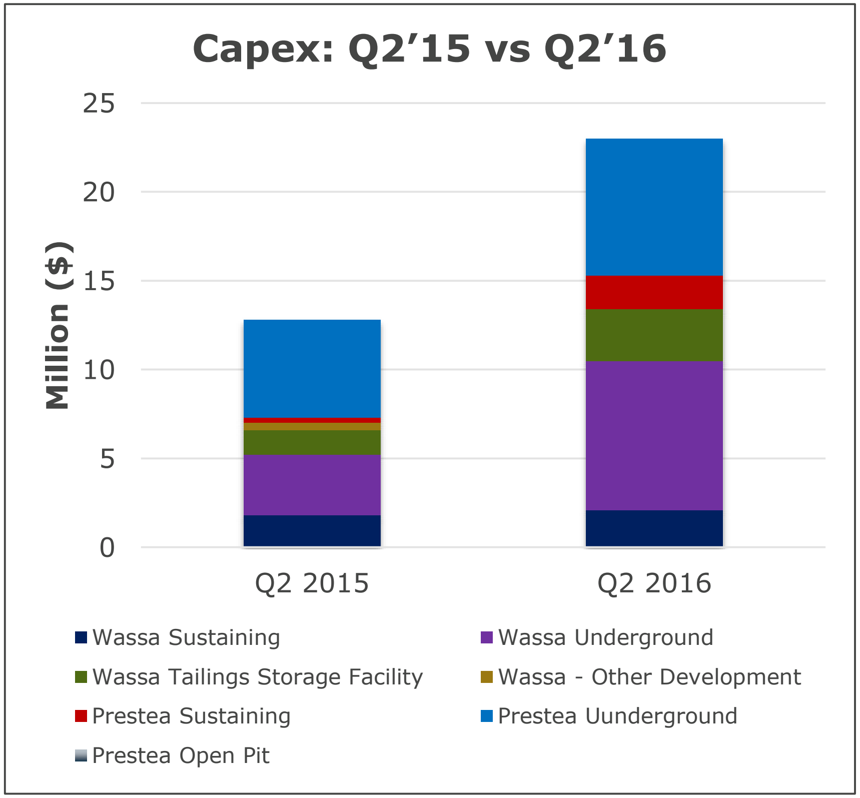
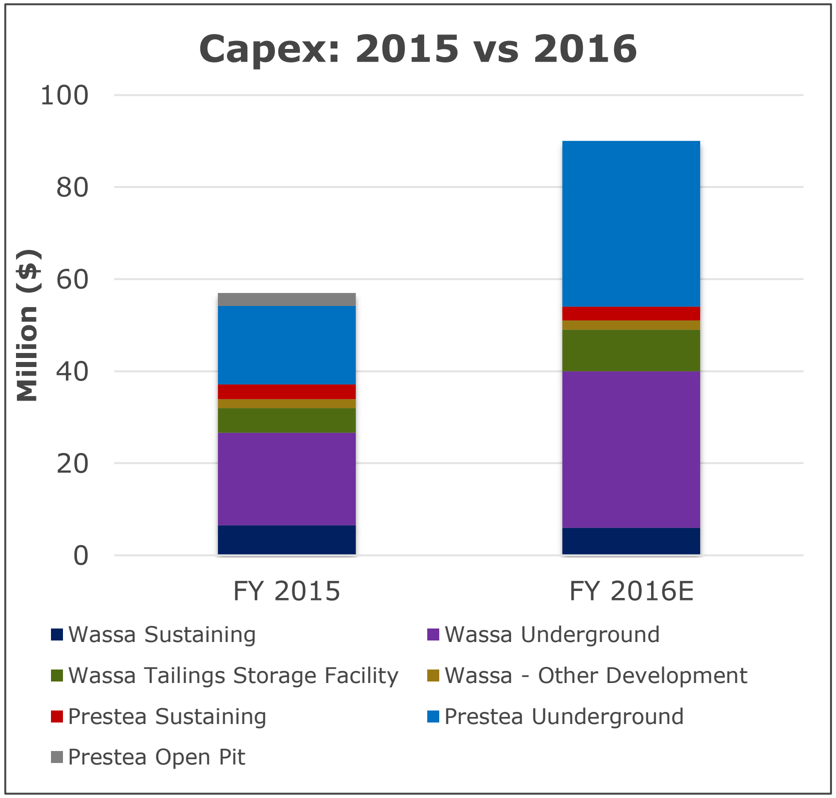
Investing In Our Future

- Capital expenditures of $23.0m during Q2 2016
- 80% increase compared to Q2 2015
- Reflects work at both underground development projects gathering momentum





OPERATIONS & EXPLORATION OVERVIEW

Wassa Gold Mine

Prestea Gold Mine

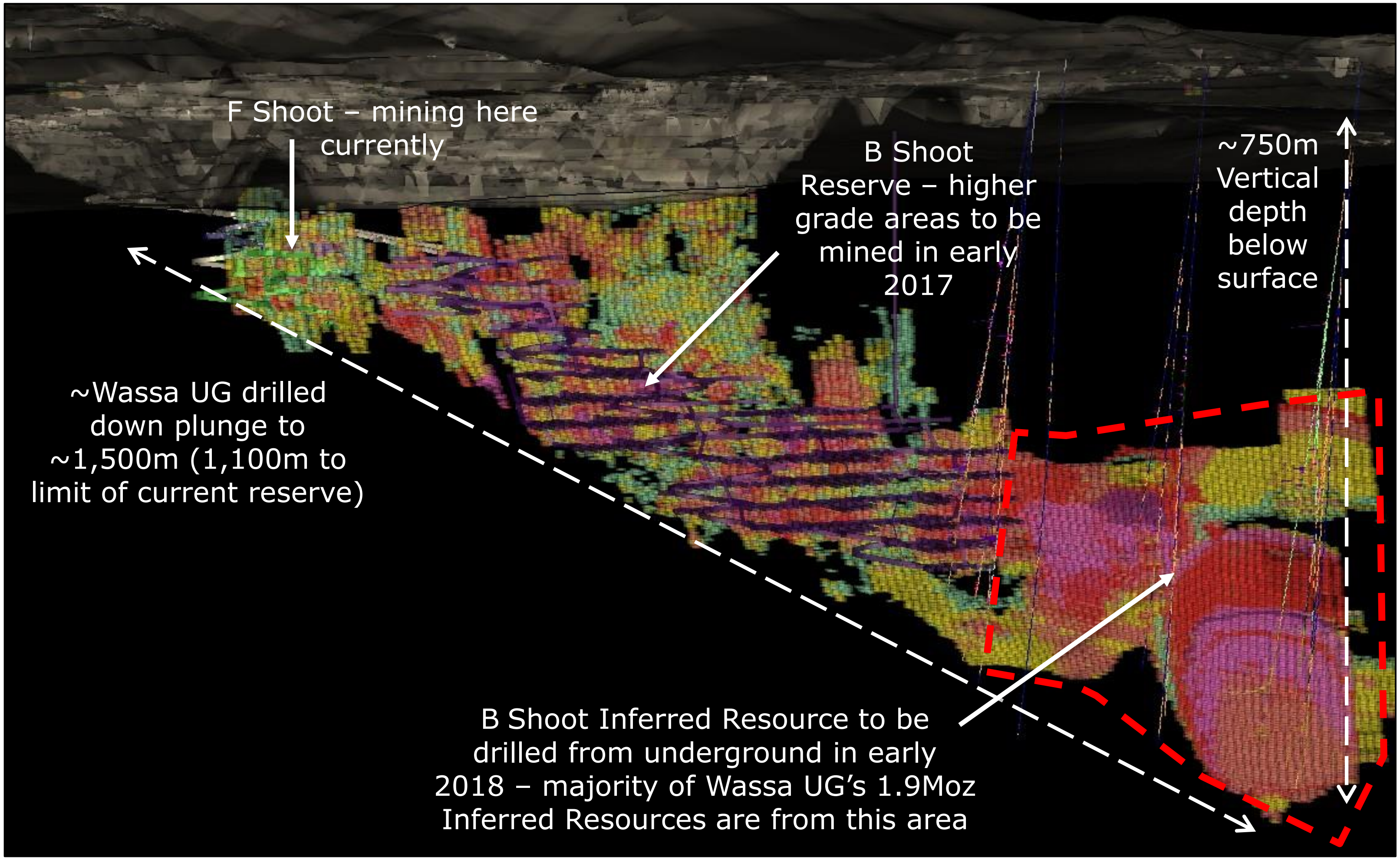
Wassa Gold Mine: Underground Production Commenced

- Open pit and underground gold mine in Ghana, commenced production in 2005
- Mineral Reserves of 1.5Moz (20.4Mt at 2.27g/t)
- 7.5 years of mine life remaining based on current Mineral Reserves
- Ore sourced from single orebody via Wassa Main Pit and underground mine
- 2.7Mtpa processing plant within 500m of pit
- Ore from Wassa Underground is being blended with open pit ore
- Tonnes processed (7,000tpd) will be constant but grade will increase as underground continues to ramp up
- Life of Mine average annual production expected to be approx. 163,000 ounces

Wassa	Unit	Rate
2015 Production	‘000oz	107,751
2015 Cash Op Costs[1]	$/oz	838
2016 Forecast Production[2]	‘000oz	120-135
2016 Forecast Cash Op Costs[1,3]	$/oz	800-900

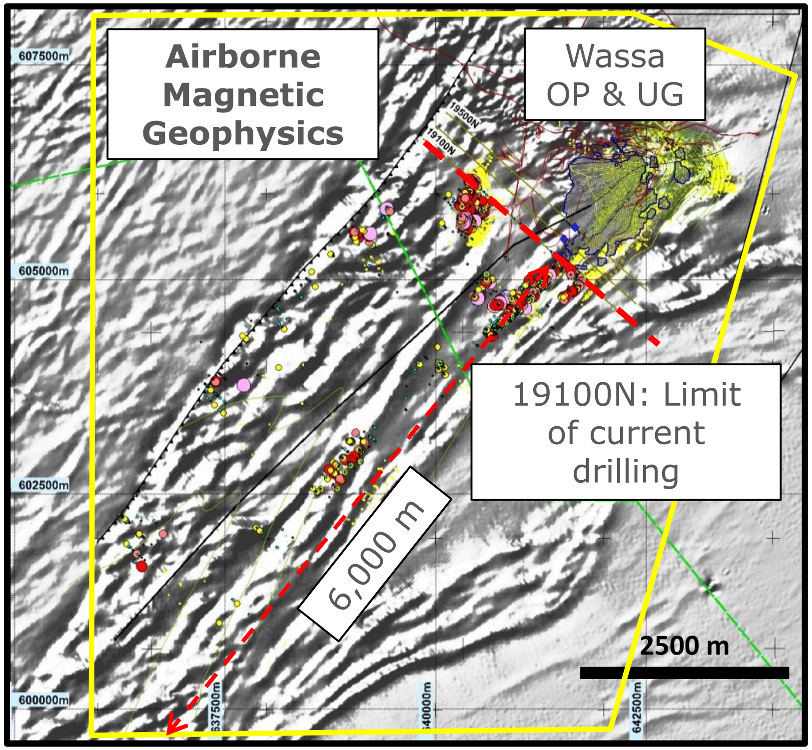
1. See note on slide 2 regarding Non-GAAP Financial Measures
2. Includes 20-25,000oz from Wassa Underground
3. Excludes cash operating costs of Wassa Underground pre-commercial production

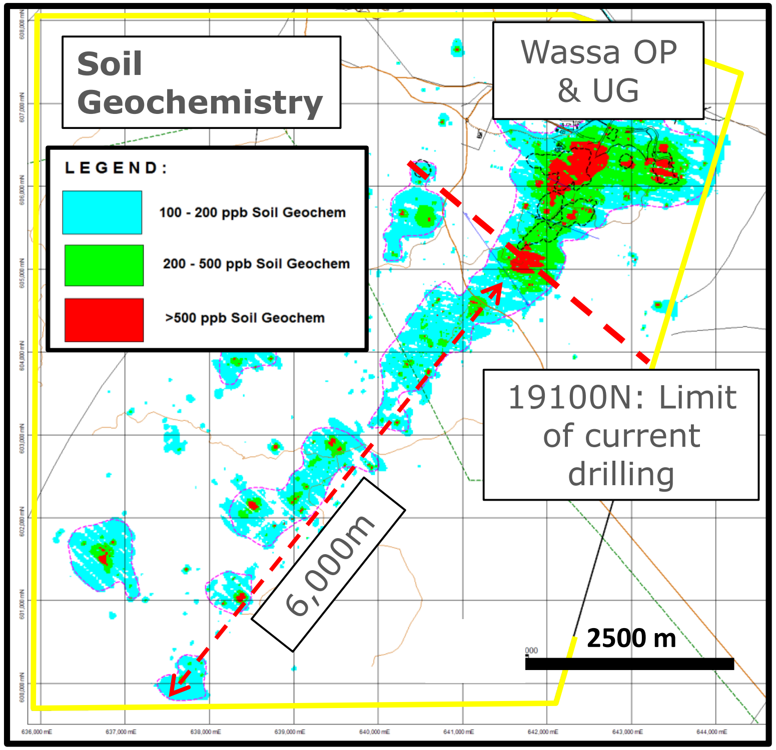
Wassa Underground Development



Commercial Production expected in early 2017

Wassa UG: Significant Exploration Upside Potential





- Wassa Underground has huge potential to grow down plunge – mineralized zone remains open
- Historically, two step out fences of drilling have defined in excess of 1Moz of Mineral Resource over 400m of down plunge extension
- GSR's concession area extends for a further 6km in this direction – through drilling, Mineral Resources are expected to expand substantially

Prestea Gold Mine: Refractory Ore Phased Out

- +100 year history of mining at Prestea in Ghana – acquired by GSR in 1999
- Currently mining non-refractory, oxide ore in the Prestea Open Pits
- No longer processing high cost, refractory ore – refractory Mineral Reserves replaced through drilling
- Mineral Reserves of 656Koz (3.3Mt at 6.26g/t), including very high grade Prestea Underground reserves (1.0Mt at 14.02g/t for 469Koz)
- Rehabilitation of very high grade underground mine underway – commercial production expected in mid-2017
- Open pit is bridging the production gap until underground production established

Prestea	Unit	Rate
2015 Production	'000oz	113,902
2015 Cash Op Costs[1]	$/oz	1,108
2016 Forecast Production	'000oz	60-70
2016 Forecast Cash Op Costs[1]	$/oz	840-970

1. See note on slide 2 regarding Non-GAAP Financial Measures

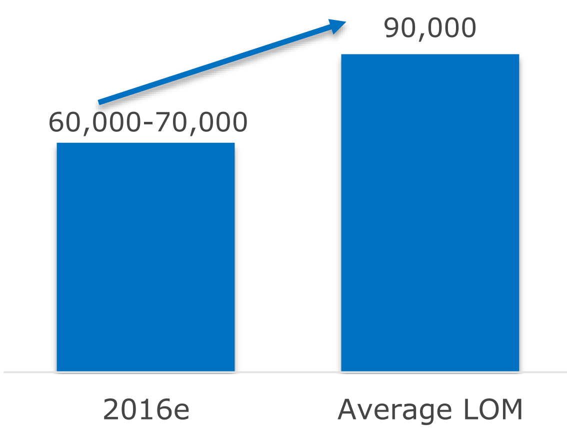
Prestea Underground: Project Update

- ✓ Rehabilitation works
- ✓ Long lead time equipment ordered
- Mechanical and electrical upgrades – to be completed in Q3 2016
- Pre-development of the Mineral Resource – expected to begin Q4 2016
- First stope blasted - expected in Q2 2017
- Achieving commercial production – expected in mid-2017

March 2016 Update to Feasibility Study

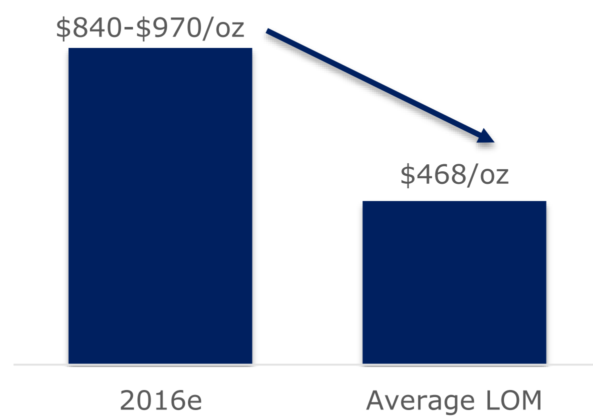
38% increase

Gold Production



Mineral Reserve grade of 14.0g/t

Cash Operating Costs[1]

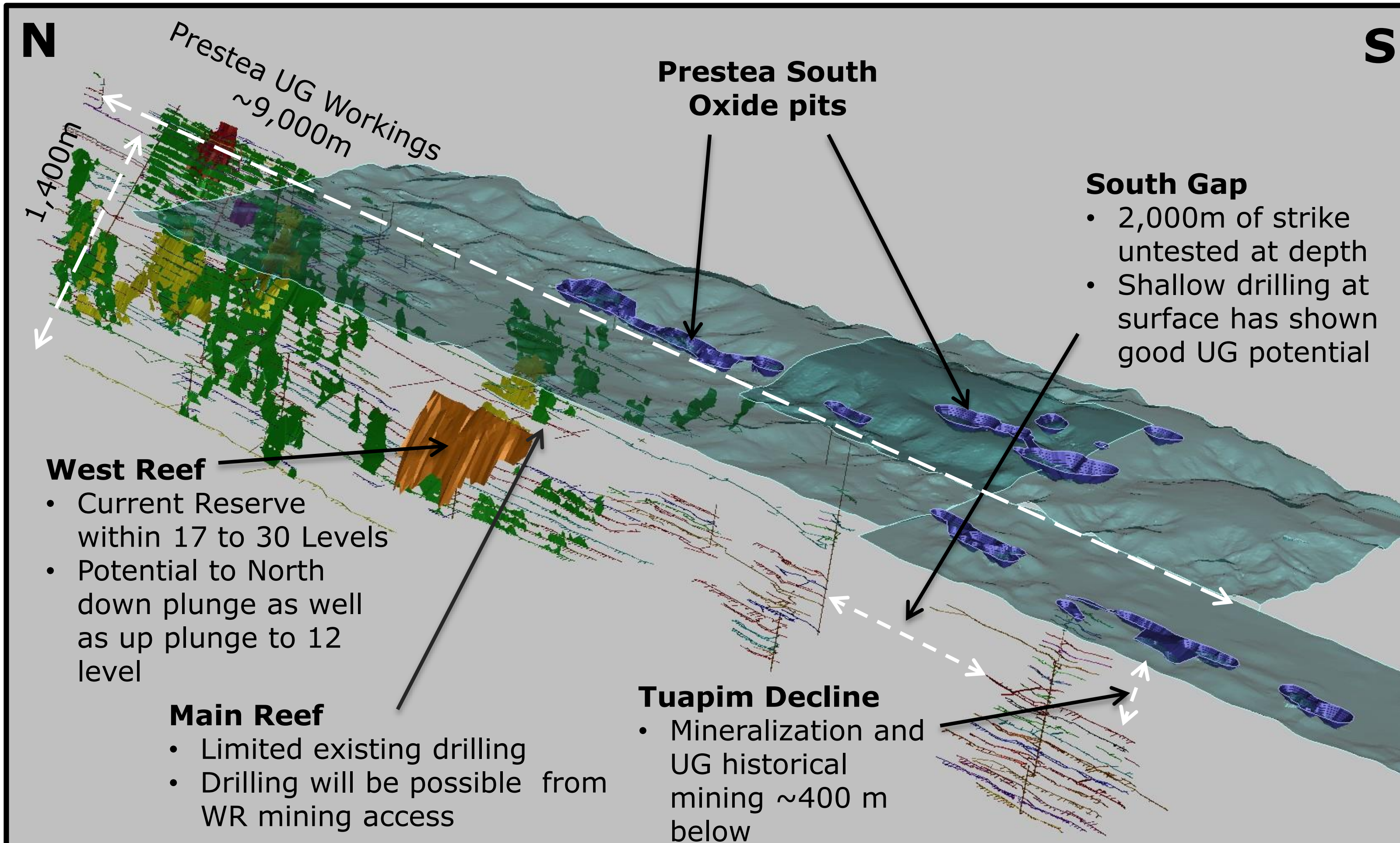


48% decrease

Average LOM AISC[1] of $615/oz

1. See note on slide 2 regarding Non-GAAP Financial Measures

Prestea Underground Exploration Upside Potential



Large Proportion of Formerly Mined Areas Along Strike Untested

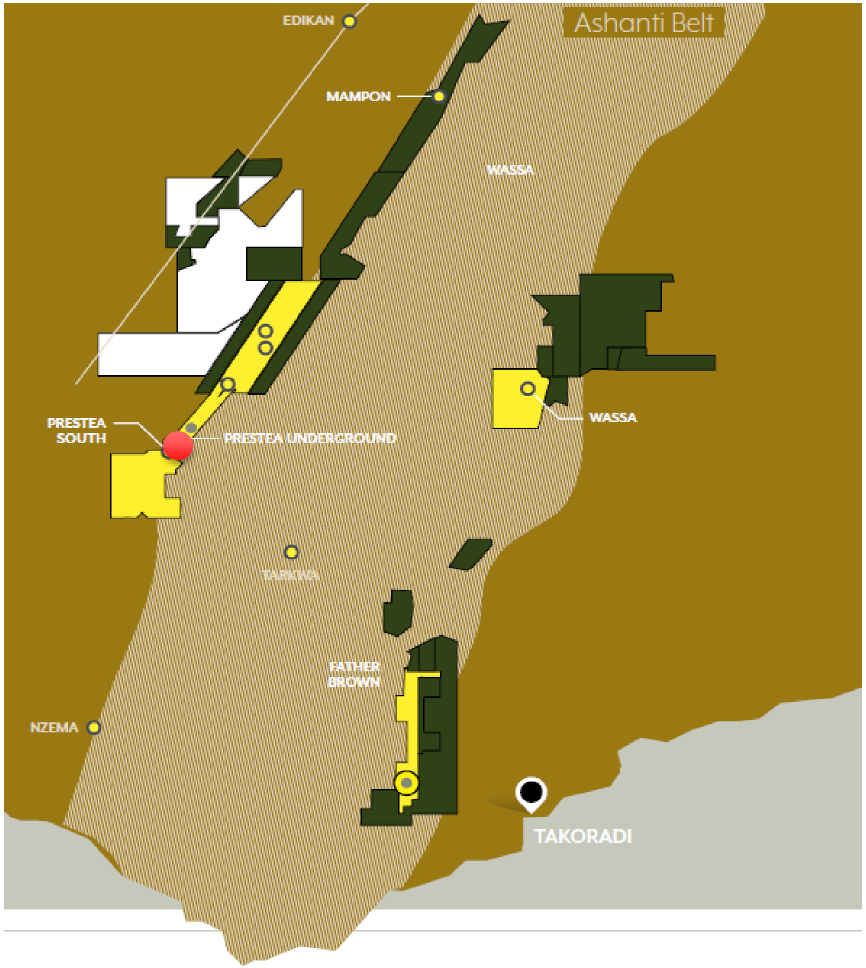
Opportunity to Substantially Increase Mineral Reserves

Potential to expand Mineral Reserves and extend lives of both operations significantly through further drilling

- Objective is to convert further M&I Mineral Resources to Mineral Reserves
    - At Wassa, 42% of M&I Resources are Mineral Reserves
    - At Prestea, 57% of M&I Resources are Mineral Reserves
- Strong, low risk, low cost opportunity to expand Mineral Reserve base materially
- Historical M&I Resource to Reserve conversion rate for GSR of approx. 70%
- Significant additional potential outside of existing Mineral Resource area
- Exploration team focused on drilling Wassa Underground and Prestea Open Pits (Prestea South pit) currently

Significant Regional Exploration Potential

- GSR's existing concession areas cover approximately 85km of 250km Ashanti Gold Belt
- Total concession area of 387km^2 – largest mineral concession on Ashanti belt
- GSR has produced >4Moz of gold over 17 years of production history
- Highly prospective region with strong exploration upside potential
- Seven other gold mines in close proximity to GSR's concession areas:
    - Tarkwa (Gold Fields)
    - Damang (Gold Fields)
    - Iduapriem (AngloGold Ashanti)
    - Obuasi (AngloGold Ashanti)
    - Chirano (Kinross)
    - Edikan (Perseus)
    - Nzema (Endeavour)



Legend

- Mining license area
- Exploration license area
- Care and maintenance – no longer mined

Q2 OVERVIEW AND RECENT OFFERINGS

Q2 2016 Operational Highlights

Gold Production		Q2 2016	Q2 2015
Wassa	oz	21,543	24,829
Prestea	oz	20,918	30,303[1]
Consolidated	oz	**42,461**	**55,132**
Cash Operating Costs[2]		**Q2 2016**	**Q2 2015**
Wassa	$/oz	975	918
Prestea	$/oz	943	1,273
Consolidated	$/oz	**959**	**1,113**
All-in Sustaining Costs[2]	$/oz	**1,185**	**1,274**

- Q2 2016 gold production in line with expectations
- Slight decline in production compared to Q1 2016 was was anticipated due to 2.5 week Wassa mill shutdown and seasonality
- 14% decrease in cash operating costs[2] per ounce compared to Q2 2015
- Cash operating costs[2] per ounce at both projects expected to decline further as underground projects come on-stream

On track to achieve 2016 full year guidance in terms of production, cash operating costs[2] and capital expenditures

1. Includes refractory production
2. See note on slide 2 regarding Non-GAAP Financial Measures

A Transformative Transaction

- **$65m private offering of 7.0% convertible senior notes due 2021**

- Entered into exchange and purchase agreements with two holders of 5.0% convertible senior unsecured debentures due June 1, 2017
  - Exchanged $42m principal amount of outstanding convertible debentures for $42m principal amount of newly issued notes

- **$30m underwritten public offering** – plus full exercise of 30-day option to purchase up to 15% of additional common shares to cover over-allotment – total gross proceeds: $34.5m

- Balance sheet strengthened through restructure and repayment of debt facilities – remaining cash used for other corporate purposes

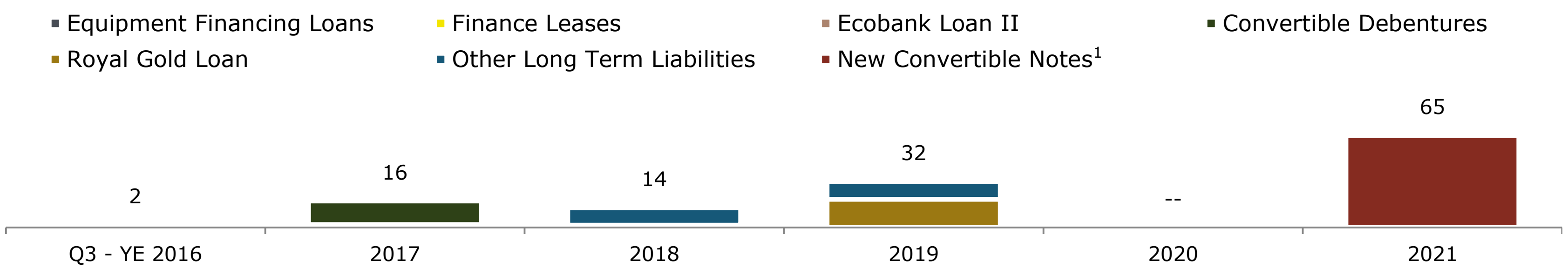
DEBT POSITION (US$M)		
	Post-Transaction	**Pre-Transaction**
Ecobank Loan	--	22
Royal Gold Term Loan	18	18
5.0% Convertible Debentures	14	59
New Convertible Debt[1]	63	--
Other Debt[2]	27	27
Total Debt	**122**	**127**

1. Face value including fees
2. Includes equipment financing loans, finance leases and vendor agreement

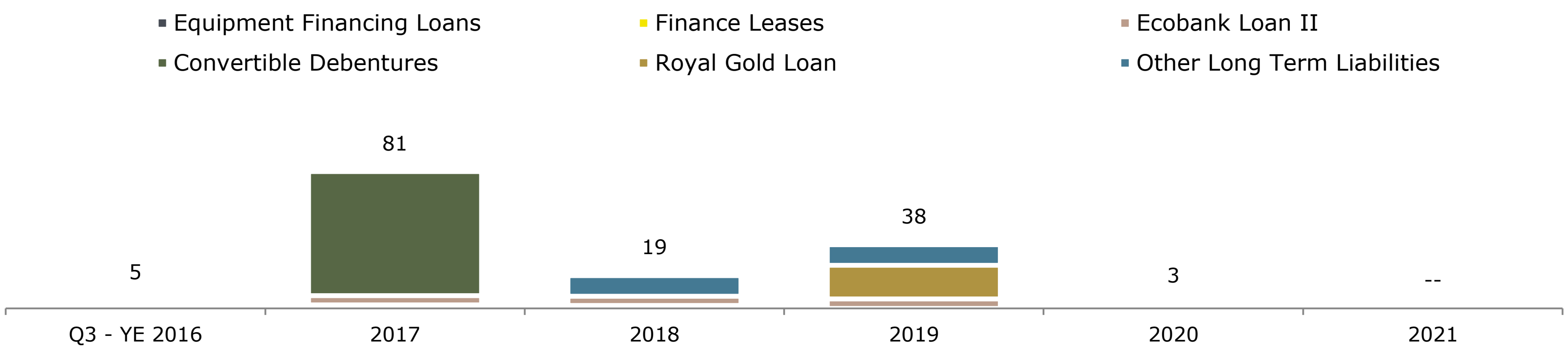
Managing The Debt

Debt repayments are now more closely aligned to forecast cash flow

Post-Transaction Debt Maturity Schedule (US$m)



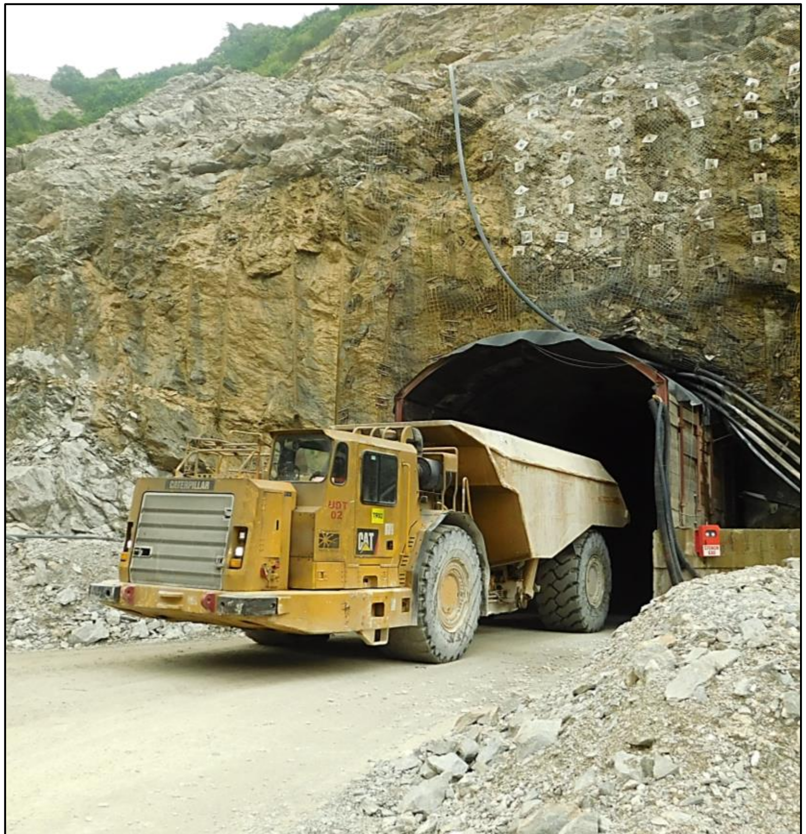
Pre-Transaction Debt Maturity Schedule (US$m)



1. Proceeds are used to retire US$57.25 mm of the existing convertible debentures, US$13.6m remains to be repaid in 2017.

Significantly Reduced Risk Profile

Materially lower risk approach due to two underground mines approaching commercial production



- Two open pit mines with underground developments – both expected to be in commercial production by mid-2017

- Focus on underground mining techniques represents:

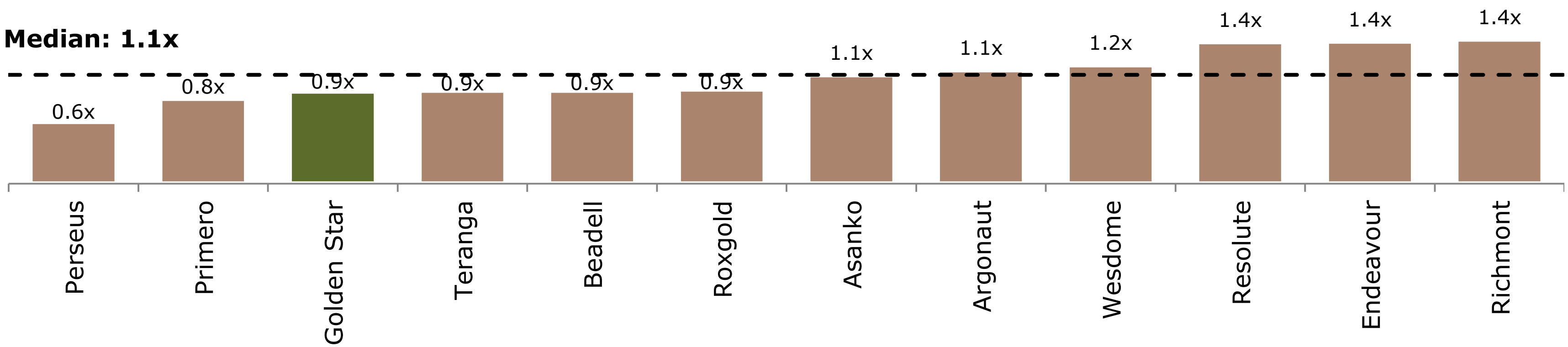
    - Higher grade ore and lower cost production
    - Lower power usage due to smaller tonnages processed – less dependency on grid power
    - Lower impact from seasonality
    - Lower impact on local people – reduced permitting risk

- Balance sheet strengthened through debt and equity offerings – further reduces GSR's risk profile

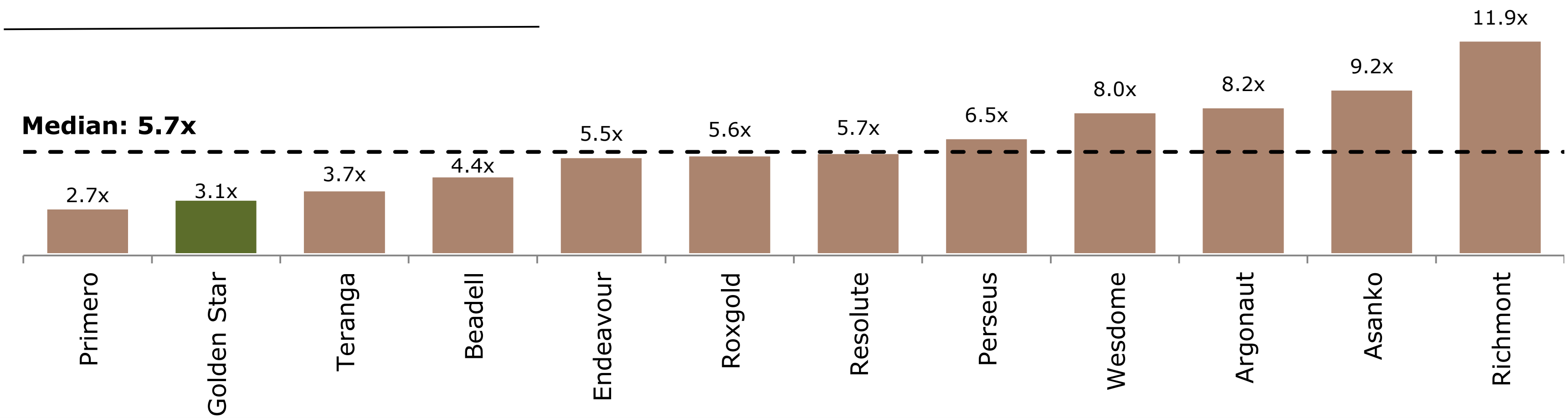
FUTURE GROWTH

Potential For Further Share Price Growth

Price/Net Asset Value[1]



Price/2017 Estimated Cash Flow[2]



Golden Star is undervalued relative to its peers on a number of metrics

NYSE: GSS
TSX: GSC

Source: Bloomberg, company filings, street research. Note: Pricing as of 13 Aug 2016. Median excludes GSR. 1. Calculated as attributable enterprise value / attributable total resources (gold equivalent ounces at street consensus long term prices). 2. Calculated as share price / median street consensus 2017E CFPS.

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UPCOMING MILESTONES IN H2 2016

- ✓ Commence production at Wassa Underground – mid-2016
- ✓ Strengthen balance sheet through refinancing of debt – Q3 2016
- Commence orebody development of Prestea Underground - Q4 2016
- Mobilize contractor to Prestea Underground – Q4 2016
- Receive mining permit for Mampon deposit near Prestea Open Pits – Q4 2016

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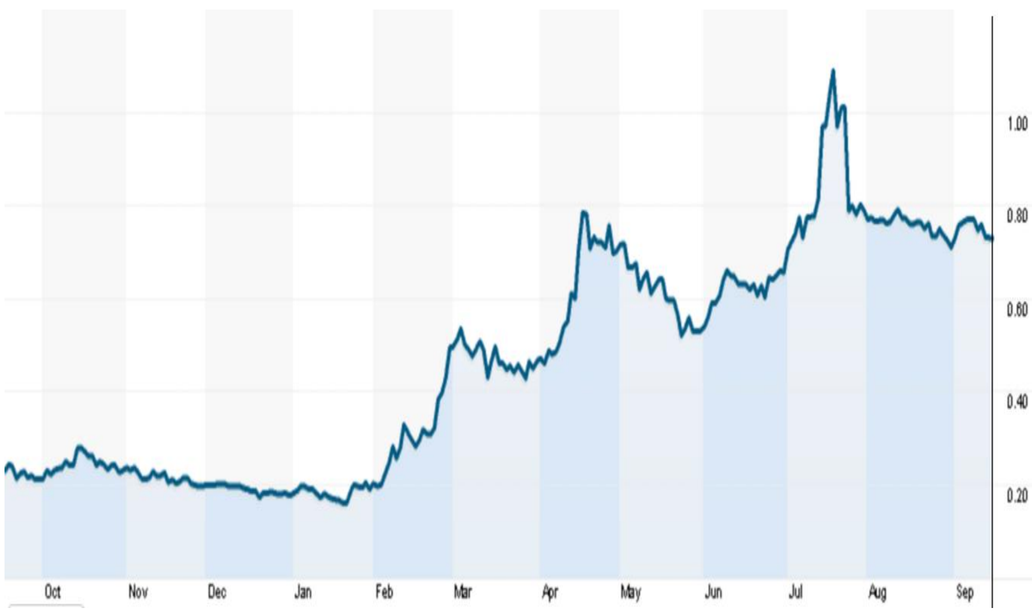
NYSE MKT: GSS
TSX: GSC

Appendices: Market Information

One Year Share Price Graph (GSS)[1,2]



Market Information[1]

Markets	NYSE MKT / TSX / GSE
Tickers	NYSE: GSS TSX: GSC GSE: GSR
Shares in Issue	328,745,758
Options	16,434,582[3]
Fully Diluted	350,542,989
Share Price[2]	$0.72
Market Cap[2]	$236.7m
Cash (at 30 June '16)	$7.6m[4]
Debt (at 17 Aug '16)	$125.0m
Daily Volumes Traded (3 Month Average)[2]	3.5m shares
Year to Date Return[2]	336%

Analyst Coverage

- BMO Capital Markets
- CIBC
- National Bank Financial
- Scotia Bank

Key Shareholders

- Sentry Investments
- Franklin Templeton
- Oppenheimer Funds
- Earth Resources

1. As at Sept 13, 2016
2. Refers to NYSE MKT listing
3. As at June 30, 2016

4. This does not include $20m from Royal Gold stream received on July 1, 2016, $32.4m net proceeds from equity offering or $21m net proceeds from the new Convertible Debt.

A Responsible Corporate Citizen

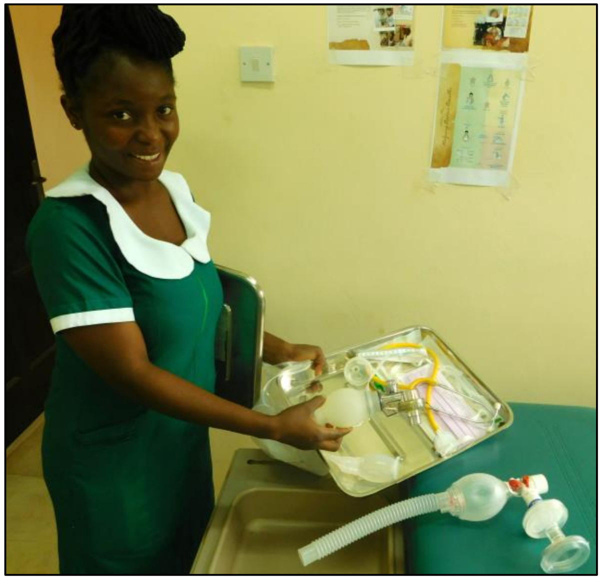
CONTRIBUTING TO SOCIETY

$1.4 M
in royalties paid in 2015 and over $11 million in royalties over the last 5 years

$5.3 M
in sustainable agribusiness to date

$3.2 M
in development fund projects to date

$46 M
in total salaries paid



GSR supports a range of community projects focused on the key areas of healthcare, education and sustainable agribusiness.

For more information on our commitment to corporate social responsibility, please visit www.gsr.com/responsibility

99% of our workforce and contractors are Ghanaian
59% of our workforce and contractors are from local communities

Q2 2016 Financial Highlights

As at 30 June 2016		Q2 2016	Q2 2015
Revenue	$'000	51,457	65,796
Gold Sales	oz	42,004	55,132
Average Realized Gold Price	$/oz	1,225	1,193
Net Loss[1]	$'000	(22,034)	(61,503)
Net Loss	$/share	(0.08)	(0.24)
Adjusted Net Loss[2]	$'000	(1,433)	(15,727)
Adjusted Net Loss[2]	$/share	(0.01)	(0.07)
Cash Flow from/(used in) Operations[3]	$'000	19,293	(18,090)
Cash Flow from/(used in) Operations[3]	$/share	0.07	(0.03)
Capital Expenditures	$'000	23,007	12,754
Cash & Cash Equivs.	$'000	7,577[4]	21,448

- 22% decrease in revenue due to cessation of refractory production at Bogoso and planned plant shutdown at Wassa impacting production
- Decline in gold sales partially offset by higher realized gold price
- Cash flow generated in Q2 2016 significantly improved compared to Q2 2015 – underlines GSR's changing cost structure
- Cash does not include $20m received from RGLD on July 1, 2016
- Focused on generating meaningful cash flow

1. See Q2 press release, M&A and financials for non cash and other non operational factors that contributed to the loss
2. See note on slide 2 regarding Non-GAAP Financial Measures
3. Equal to Cash provided by operations before changes in working capital, a Non-GAAP financial measure, see slide 2.
4. Does not include $20m from Royal Gold on July 1, 2016 or net proceeds of $32.4m from equity offering, completed Aug 3. 2016

Q2 2016: Wassa Operational Results

Wassa Main Pit		Q2 2016	Q2 2015
Ore mined	kt	651	610
Waste mined	kt	2,629	2,406
Ore processed	kt	574	641
Grade processed	g/t	1.16	1.64
Recovery	%	94.0	94.1
Gold Production	oz	21,543	31,273
Gold sales	oz	21,092	30,887
Cash Operating Costs[1]	$/oz	975	706

- Decline in Q2 production compared to Q1 due to 2.5 week scheduled maintenance shutdown
- Ball mill foundations rebuilt, critical components of primary crusher replaced and electrical system in CIL plant upgraded during shutdown
- Capital expenditures of $13.4m – up 90% due to development capital for Wassa Underground ($8.4m) and upgrading tailings story facility ($2.9m)

Wassa 2016 Production Guidance:

100-110,000oz from Wassa Main Pit at cash operating costs[1] of $800-900/oz

Plus 20-25,000oz from Wassa Underground

1. See note on slide 2 regarding Non-GAAP Financial Measures

Q2 2016: Prestea Operational Results

Prestea Open Pits		Q2 2016	Q2 2015
Ore mined	kt	306	383
Waste mined	kt	1,067	1,145
Ore processed	kt	378	362
Grade processed	g/t	1.95	2.21
Recovery	%	85.9	84.4
Gold Production	oz	20,918	21,944
Gold sales	oz	20,912	21,782
Cash Operating Cost[1]	$/oz	943	742

- Decrease in production compared to Q2 2015 due to cessation of refractory gold production from Bogoso in Q3 2015
- Mining of oxide ore from Prestea Open Pits commenced in Q3 2015
- 26% decrease in cash operating costs[1] due to lower cost, non-refractory ounces
- $9.6m capital expenditures – 66% increase compared to Q2 2015 due to advancement of Prestea Underground

Prestea 2016 Production Guidance:

60-70,000oz from Prestea Open Pits at cash operating costs[1] of $870-970/oz

1. See note on slide 2 regarding Non-GAAP Financial Measures

Royal Gold Financing Agreement

- **GSR has a financing arrangement with Royal Gold for total aggregate proceeds of $145m**. Use of funds:
  - Facilitate development of Wassa and Prestea underground mines
  - Retire outstanding Ecobank I loan debt
- **Gold stream of $145m over Bogoso, Prestea and Wassa:**
  - From January 1, 2016, to deliver 9.25% of all production at a cash purchase price of 20% of spot gold
  - From January 1, 2018 or commercial production of the underground mines, whichever is sooner, to deliver 10.50% of production at a cash purchase price of 20% of spot gold until 240,000 ounces have been delivered
  - Thereafter, 5.50% of production at a cash purchase price of 30% of spot gold will be delivered (‘tail stream’)
  - Option to repurchase 50% of the tail stream
  - In the event that Golden Star expands its operations to outside its current mine license areas in the future, it will have the option to deliver ounces from these operations to satisfy the first and second delivery thresholds
    - GSR would retain the upside to these new operations as the tail stream would not be applied
  - $115m payments received to date, with the remaining $30m expected between October 2016 and January 2017
  - A total of 21,489 ounces have been delivered as at 30 June 2016
- **Four year $20m secured term loan:**
  - Interest rate linked to gold price[1]
    - At a gold price of $1,200/oz the interest rate would be 7.5% and at $1,300/oz, it would be 8.13%
    - Rate is not to exceed 11.5%
  - No early prepayment penalty
  - Subject to an agreed quarterly 25-50% excess cash flow sweep from the third quarter of 2017 onwards
  - Matures in July 2019
  - Royal Gold has security against mining assets

1. Calculated as the product of the average spot gold price over the quarter and 62.50% divided by 10,000.

Mineral Reserves and Resources

Mineral Reserves[1,2,3]	Tonnes ('000)	Grade (Au g/t)	Content (Koz)
Proven Reserves			
Wassa	1,046	1.09	37
Prestea	25	2.69	2
Total	**1,071**	**1.12**	**39**
Probable Reserves			
Wassa	19,319	2.33	1,450
Prestea	3,237	6.29	654
Total	**22,556**	**2.90**	**2,104**
Total Proven & Probable	**23,626**	**2.82**	**2,143**

Mineral Resources[1,2,3]	Tonnes ('000)	Grade (Au g/t)	Content (Koz)
Measured & Indicated Mineral Resources			
Wassa	54,647	2.02	3,556
Prestea	6,712	5.30	1,144
Total	**61,360**	**2.38**	**4,700**
Inferred Mineral Resources			
Wassa	16,462	4.15	2,200
Prestea	3,813	7.70	944
Total	**20,305**	**4.82**	**3,144**

1. For Wassa's Mineral Reserves and Resources please refer to 'NI 43-101 Technical Report on a Feasibility Study of the Wassa Open Pit and Underground Project in Ghana', dated December 31, 2014, which is filed on SEDAR and at www.gsr.com
2. For Prestea's Mineral Reserves and Resources please refer to 'NI 43-101 Technical Report on a Feasibility Study of the Prestea Underground Gold Project in Ghana', dated November 03, 2015, which is filed on SEDAR and at www.gsr.com
3. All numbers exclude refractory ore.